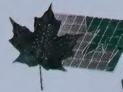


AR75

2004
ANNUAL
REPORT

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Brevet canadien / Canadian Patent

À QUI DE DROIT,

Le Commissaire aux brevets a reçu une demande de délivrance de brevet visant une invention nouvelle et utile. Les exigences de la Loi sur les brevets sont respectées. Le titre et la description de l'invention figurent dans le mémoire descriptif, dont une copie est annexée au présent document et en constitue une partie intégrale.

Le présent brevet confère à son titulaire et aux représentants légaux du titulaire, pour une période expirant vingt ans après la date du dépôt de la demande au Canada, le droit, la faculté et le privilège exclusif de fabriquer, de construire et d'exploiter l'invention ainsi que de le vendre pour fin d'exploitation, sous réserve d'un jugement rendu à cet égard par un tribunal de juridiction compétente, et sous réserve du paiement des taxes réglementaires.



TO WHOM IT MAY CONCERN

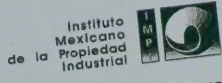
The Commissioner of Patents has received a petition requesting the grant of a patent for a new and useful invention. The requirements of the Patent Act have been complied with. The title and a description of that invention are contained in the specification, a copy of which is attached to and forms an integral part of this document.

The present patent grants its owner and to the legal representatives of its owner, for a term which expires twenty years from the filing date of the application in Canada, the exclusive right, privilege and liberty of making, constructing and using the invention and selling it to others to be used, subject to adjudication in respect thereof before any court of competent jurisdiction, and subject to the payment of maintenance fees.

BREVET CANADIEN 2041998

Date à laquelle le brevet a été
accordé et délivré

Date



SUBDIRECCION DIVISIONAL DE PROCESAMIENTO
ADMINISTRATIVO DE MARCAS.
COORDINACION DEPARTAMENTAL DE CONSERVACION
DE DERECHOS.

MARCA: 681496

Asunto: Se acusa recibo del escrito que se contesta.

México D. F., a 30 DE MARZO DE 2004

Re: RAYDAN MANUFACTURING INC., Mexican
Trademark Registration No. 681496 "RAYDAN" -
Your File: 1986-SMX - Our Ref.: CCR*pac

M. SOTO GUTIERREZ
GO #260, COL. JUAREZ
MEXICO, D.F.

Medio del presente, se acusa recibo del escrito presentado en este Instituto el
NOVIEMBRE DE 2003, y se comunica que ha sido integrado a su expediente.

El presente oficio con fundamento en lo dispuesto por los artículos 6, fracciones III, BIS 2 de la Ley de la Propiedad Industrial; 1º, 3º fracción V, inciso b), 4º, 11 fracciones II y fracciones II, VI y VII del Reglamento de este Organismo; 1º, 3º, 6º incisos b), d) y g) párrafos 1º y 2º y cuarto del Acuerdo que delega facultades en los Directores Generales Adjuntos, Coordinadores Divisionales, Titulares de las Oficinas Regionales, Subdirectores Divisionales, Coordinadores Departamentales y otros subalternos del Instituto Mexicano de la Propiedad Industrial, en el Diario Oficial de la Federación el 2 de mayo de 1994, 14, 15 y 27 de Diciembre de 1999 respectivamente.

ATENTAMENTE
EL COORDINADOR DEPARTAMENTAL

CANADIAN PATENT

Date on which the patent
was granted and issued

Filing date of the application

Date on which the application
was open to public

3056



RAYDAN
MANUFACTURING INC

COMPETITIVE AGGRESSIVE DETERMINED

RAYDAN
MANUFACTURING INC

Toll Free 1-888-472-9326

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Joan Richardson

Office Manager / Investor Relations

Phone 780 955-2859

Fax 780 955-2386

601 - 18th Ave., Nisku, AB, Canada T9E 7T7

Air Link

• THE 3RD-WHEEL WALKING BEAM •

Easy Slide

• THE SLIDING BEAM •

Working in Tandem

• THE PARALLEL BEAM •

CORPORATE PROFILE

*"Patience,
persistence and
determination
make an
unbeatable
combination
for success."*

Napolean Hill

Raydan Manufacturing Inc. is a North American leader in developing and supplying innovative products to the transportation industry. Raydan manufactures three patented proprietary products: the Air Link™ air ride walking beam suspension, the Easy Slider™ sliding kingpin system and the Air Link™ for tandem steer applications, all of which have gained strong market recognition and critical acclaim. In addition, the Company has achieved great success engineering tandemizations and chassis modifications for a wide variety of applications and configurations.

In 2002, Raydan introduced a groundbreaking front-end air ride walking beam suspension for tandem applications, which has exceeded all expectations. As well, the Company provides repair, maintenance, fabrication and related services to the heavy-duty equipment industry from a 25,000 square foot facility near Edmonton, Alberta.

The Company was listed on the CDNX (now the TSX Venture Exchange) as a public company in July 2001. Management at Raydan is committed to well-managed sustainable growth, while building shareholder value.

Raydan prides itself in being a technology driven company. As a result, the Company invests heavily in design, engineering, research and product development year over year. Our mission is to develop quality products that define engineering excellence. With consistent and capable leadership, we seek to ensure long-term, supportive relationships between our customers, vendors, employees and shareholders.

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ACHIEVEMENTS

- Edmonton's Mack dealer, Nortrux, was the first Canadian dealer to receive units equipped with the Air Link™ direct from the factory, Spring 2003.
- Raydan completed engineering to modify a 6x4 Mack Granite; extending the frame to incorporate a pusher axle and adding a second driving steer axle with the Air Link™ for tandem steer. This procedure has been patented and is available for ongoing projects.
- Raydan's Customer Service Centre achieved Preferred Member status with the Volvo Action Service Center, making Raydan a 24-hour vendor for Volvo clients.
- American LaFrance, a subsidiary of Freightliner (a well known US chassis builder), assigned a purchase code number to the Air Link™ suspension, incorporating it into the design of their Condor chassis.
- The Canadian Department of National Defence, Edmonton Garrison, awarded Raydan a second standing offer to modify and repair various heavy equipment, Fall 2003.
- A Canadian trailer manufacturer incorporated the Easy Slider™ into logging trailers destined for use in northern BC.
- The Air Link™ for tandem steer was introduced to the Canadian marketplace at Truck World 2004 in Toronto, following its successful launch in the US at the World of Concrete Show in Las Vegas.
- The US Air Force selected the Air Link™ suspension for the R11 refueler trucks built by Kovatch Mobile Equipment on a chassis manufactured by International Truck and Engine Corporation, due to the Air Link's™ high roll stability and smoother ride.
- As a result of the high performance of the Air Link™ in crane applications, a Japanese manufacturer incorporated the Air Link™ into their 60 and 80 ton models. The first installation was designed and installed in Houston, TX under the supervision of Raydan engineers.
- International Truck factory of Garland, TX incorporated the Air Link™ suspension into a roll-off unit to be utilized at their Ride 'N Drive displays at various trade shows and events throughout 2004.
- Aggressive marketing in our Tandemization and Chassis Modification division has increased our customer base, resulting in a 30% increase over 2003.
- Raydan installed an Air Link™ suspension into an International Paystar concrete mixer unit, the first in a series of retrofit projects for Lafarge Construction.
- Ferrara Fire Apparatus of Louisiana offered the Air Link™ as standard equipment on 107' and longer aerial trucks. Ferrara joins other well-known manufacturers such as Smeal, Spartan, Emergency One and Sutphen in endorsing the Air Link™.
- The Air Link™ for tandem steer continues to gain acceptance in various applications including redi-mix, concrete pumbers, oilfield service rigs and vocational trucks.
- As the US economy recovers, car hauler manufacturers from Louisiana and Oregon continue to increase production of trailers equipped with the Easy Slider™.

*"The difference
between the
impossible
and the possible
lies in one's
determination."*

Tommy Lasorda

TO MY FELLOW SHAREHOLDERS

Determined

Raydan Manufacturing is an integrated manufacturing and service company with two distinct avenues of revenue generation:

Manufactured Product: 62.7%

Chassis Modifications /

Customer Service Centre: 37.3%

Through trying economic times, Raydan is holding fast to its goal of becoming a global supplier of innovative, quality products to the heavy-duty equipment industry. 2004 is a turn-around year, and we are beginning to see truck sales soar to their highest level in nearly four years. Raydan's aggressive marketing combined with sound management resulted in increased revenues of greater than 10% for the year, with the most dramatic growth occurring late in the fiscal period. Fourth quarter results show a definitive increase in revenues and gross margins, leading us to conclude that **the upcoming year will show a greatly improved bottom line.**

The negative impact of the high value of the Canadian dollar against the American currency has eroded gross margins, but this is somewhat mitigated by **higher demands for Raydan products in the US and abroad.**

During the past fiscal year, the Company increased both its asset base and cash position, and decreased the long term debt by 25%. Prudent financial and managerial strategies enabled the Company to position itself for imminent growth and increased product demand; and prepare for the accompanying increases in raw material costs, a normal response as we move out of a sluggish economy. To ac-

commodate these developments, Raydan plans to **expand the manufacturing facility and accelerate investment in engineering, design, and product development.**

Due to the unstable nature of currencies, Raydan continues to pursue a competitive edge in the manufacture of their products. At fiscal year end a Letter of Intent was in place for a Licensing Agreement through a Partnership or Joint Venture to move production out of Canada into more favorable market conditions.

Competitive

Air Link™

The truck crane industry as a whole is resurging as industrial construction is revitalized by the strengthened economy. Raydan continues to grow their market share of over the road truck cranes with the addition of a **Japanese manufacturer** who entered the North American market in 2002. As a result of its high performance, the Air Link™ suspension will be incorporated into their 60 and 80 ton models. A prototype was designed and installed in Houston, TX under the supervision of Raydan engineers. This is the first retrofit of a number of US based units, leading to assembly line production.

Link-Belt Construction Equipment introduced the Air Link™ suspension on both front and rear of their 90 ton crane in 2003, which is now in full production. All North American crane manufacturers offer a full line of truck mounted cranes featuring the Air Link™ as standard equipment. As well, Raydan continues to design new and upgrade existing models for **Grove, Terex, and Link-Belt.**

In the Fire Rescue industry, Raydan's Air Link™ has built the reputation of being the suspension of choice for tandem axle applications, as indicated by the variety of manufacturers displaying Air Link™ equipped units at industry trade shows. This exposure has led to a growing customer base and a majority of manufacturers who offer the Air Link™ as standard equipment.

American LaFrance, a subsidiary of **Freightliner** (a well known US chassis builder), assigned a purchase code number to the Air Link™ suspension, incorporating it into the design of their Condor chassis.

E-One spec'd the Air Link™ rear suspension as standard equipment on their new Hurricane tandem chassis for pumper trucks.

Ferrara Fire Equipment offers the Air Link™ as standard equipment on 107' and longer aerial trucks. Ferrara joins other well-known manufacturers such as **Smeal, Spartan, Emergency One and Sutphen** in endorsing the Air Link™.

The vocational truck industry has also given the Air Link™ an enthusiastic reception. Since being offered as a published option at the **Mack Trucks** factory level for more than a year, requests for Air Link™ equipped units are steadily increasing. Presently, orders are booked well into the second quarter of fiscal year 2005.

The International Truck and Engine Corporation in Garland, TX incorporated the Air Link™ in a Ride 'N Drive unit to be utilized and displayed at various trade shows and events throughout 2004.

The US Air Force selected the Air Link™ for their R11 refueler trucks which are being built on chassis

*"An invincible determination can accomplish almost anything,
and in this lies the great distinction between great men and little men."*

Dr. Thomas Fuller

manufactured by International at their Garland, TX plant. The first two prototypes are completed, and additional orders have been received.

Tandemization and Chassis Modifications

The Air Link™ for tandem steer was introduced to the Canadian marketplace at Truck World 2004 in Toronto, following its successful US launch at the World of Concrete Show in Las Vegas.

Prototypes of the tandem steer Air Link™ released in 2003 enjoyed a resounding reception from all sectors of the heavy truck industry. As a result of aggressive marketing in this division, **our growing customer base has resulted in increased tandem sales of 30% over the previous year.** Arrangements to expand the Nisku facility are underway in answer to the growing demand. **The Air Link™ for tandem steer continues to gain acceptance in various applications including redi-mix, concrete pumps, oilfield service rigs and vocational trucks.**

In 2003 Raydan patented the design which adds a **second driving steer axle** incorporating the Air Link™ for tandem steer, and extends the frame to accommodate the addition of a pusher axle.

Transport Canada regulates procedures concerning chassis modifications through the National Safety Mark (NSM) program. Raydan continues to work closely with representatives of Transport Canada and CTEA (Canadian Transport Equipment Association) in order to comply with pending legislation. Over the year we have made significant progress towards achieving this goal.

Raydan continues to work closely with the chassis manufacturers of **oilfield equipment**, such as service rigs, etc., supplying custom manufactured suspensions and differential assemblies. In this challenging environment the Air Link™ continues to exceed all expectations.

Easy Slider™

Over the past two years, Easy Slider™ sales have increased by more than 1000%. The recovering US economy accounts for more than 700% of this increase. **Trailer manufacturers** from Louisiana and Oregon continue to increase production of Easy Slider™ equipped units.

A Canadian trailer manufacturer incorporated the Easy Slider™ into logging trailers destined for use in northern BC. This company has experienced consistent growth over the past year, and we are proud to supply components contributing to their success.

Aggressive

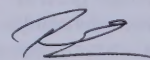
Looking to the Future

The engineering department has completed the conversion to the SolidWorks program through diligent effort and the employment of additional staff. This has allowed the Company to make progress in the design and engineering of a significant number of improved Air Link™ models. These include applications for concrete pumps, truck cranes, oilfield equipment, military vehicles, roll-off units, fire rescue apparatus, and others. **Advances in engineering have contributed to a continually expanding customer base.**

In response to the significant growth experienced by the Company, new business management software with EDI (Electronic Data Interchange) capability is being implemented. The Intuitive ERP (Enterprise Resource Planning) system integrates seamlessly with our present 3D engineering technology, enabling us to communicate electronically with our customers.

As a proactive approach to increased demand for the company's products, plans have been approved to **build a 12,000 sq.ft. addition at the existing site.** The new facility will enlarge the tandem work area from two to six bays and incorporate updated painting and packaging components. Much needed additional storage will be an added benefit. Plans also include improvements to the yard to alleviate drainage problems and upgrade parking facilities.

We wish to acknowledge with thanks the dedicated efforts of our employees, customers, and suppliers, all of whom make an important contribution to Raydan's success. The values and commitment that each of our directors brings to Raydan have resulted in a well-governed company positioned not only for today's marketplace, but also strategically for the future. **We wish to offer a special thank you to each of our shareholders, without whose support none of our achievements would be possible.**



Ray English
President and CEO

MANAGEMENT DISCUSSION AND ANALYSIS

Forward-Looking Statements

The following MD&A provides information that management believes is relevant to the assessment and understanding of the Company's results of operations and financial condition. The discussion should be read in conjunction with the audited Financial Statements and accompanying notes for the fiscal year ended April 30, 2004. Certain statements contained in the Management Discussion and Analysis of financial condition and results of operations contain forward-looking statements relating to the operations or to the environment in which we operate, which are based on our operations, forecasts, and projections. Forward-looking statements are not guarantees of future performance. They involve risks, uncertainties and assumptions, and the Company's actual results may differ materially from those anticipated in these forward-looking statements.

Selected Annual Information

Selected annual financial information derived from the audited financial statements for the three most recently completed financial years is set forth below and is prepared in accordance with Canadian generally accepted accounting principles ("GAAP").

(in CAD dollars)	Year Ended April 30, 2004	Year Ended April 30, 2003	Year Ended April 30, 2002
Revenue	6,729,221	6,058,460	5,180,272
Net earnings	45,602	120,852	185,619
Per share (basic)	0.004	0.010	0.015
Per share (diluted)	0.004	0.009	0.012
Total assets	4,913,441	4,512,274	4,378,209
Total long-term liabilities (excluding current portion)	553,344	735,625	844,710

Revenue has steadily increased for the three years ended April 30, 2004 in both the manufactured product and chassis modifications. This reflects an increase in economic activity in Canada and the US as well as the continued greater acceptance of the Air Link™ in the marketplace resulting from Raydan's on-going investment in engineering and product development. Although the net earnings are lower than expected in 2004, the year ended with a fourth quarter that showed marked signs of improvement in the bottom line. Management expects the strength experienced in the fourth quarter to continue into the next fiscal year and beyond. The Company continues to be confident of meeting its goal of \$19 million in annual revenue in 2006.

Results of Operations

Raydan Manufacturing Inc. has two distinct areas of revenue generation – manufactured product 63% and customer service and chassis modifications 37%.

The manufactured products, Air Link™ and Easy Slider™ are sold nationally and internationally. Chassis modifications are performed at the Nisku facility for customers throughout Canada and the US on new and used equipment. The service and repair facility serves the area surrounding the Nisku Industrial Park, including Leduc and district, the Edmonton International Airport and south Edmonton.

Revenue

Total sales for the year were \$6,729,221 compared to the previous year at \$6,058,460, an increase of 11%. Revenue from manufactured products increased by 17% in 2004 from 2003 with an increase in Air Link unit sales of 28% over 2003. These increased volumes are expected to continue into the next fiscal year. Customer service and chassis modification revenue showed an increase of 1.6% from 2003 and is expected to increase substantially on completion of the new facilities.

Fluctuations in currency values continue to have a negative impact on revenue. The conversion rate varied by more than 20% throughout the fiscal year with an exchange rate from US to Canadian dollars at year-end of 1.35 compared to 1.44 at the end of April 2003. The Company continues to combat this effect through increased volumes and more streamlined manufacturing processes.

Expenses

Gross margin as a percentage of sales showed virtually no change in 2004 from 2003. This was accomplished through improved manufacturing processes and efficient use of resources, in particular, labour and occupancy costs. Materials showed a slight increase from 55.8% in 2003 to 59% in 2004 due to the increase in steel prices beginning in March 2004. Raydan continues to monitor and work closely with all suppliers to hold or reduce raw materials costs. Government assistance was received in the amount of \$26,469 as a result of filing the SR&ED claim for 2002. Engineering costs increased to \$252,378 from \$96,619 in 2003 with the addition of one full-time and one contract Engineer, and an increase in product research costs. The increase in engineering costs signifies the Company's commitment to research and development.

Selling, general and administrative costs increased by \$115,358 from 2003 but remained constant as a percentage of sales at 13.9% in 2004 compared to 13.6% in 2003. The increase in marketing costs resulted from attending additional trade shows to pursue new markets. These new markets are expected to generate revenue starting in 2005. The increase in wages and benefits resulted from the addition of an experienced controller to improve the financial reporting process and strengthen internal controls. Professional fees increased due to the SR&ED claim and accrued audit fees. Bad debts decreased from \$15,579 in 2003 to \$6,462 in 2004 due to utilizing more diligent credit control. Interest on long-term debt decreased by \$29,867 due to repayment of long-term debt. As the Company's revenue grows, management will continue to focus on controlling discretionary spending which is expected to result in improved earnings..

Quarterly Review

(\$000 except earnings per share) Unaudited	First Quarter ended July 31		Second quarter ended Oct 31		Third quarter ended Jan 31		Fourth quarter ended Apr 30	
	2003	2002	2003	2002	2004	2003	2004	2003
Revenue	1,517	1,670	1,550	1,552	1,405	1,237	2,257	1,599
Net income (loss) for the period after tax	(22)	100	(36)	54	(49)	(15)	153	(18)
Earnings (loss) per share								
Basic	(0.002)	0.008	(0.003)	0.004	(0.004)	(0.001)	0.012	(0.001)
Diluted	(0.002)	0.008	(0.003)	0.004	(0.004)	(0.001)	0.012	(0.001)

The financial results for the last eight quarters do not tell the whole story of Raydan's steady growth. Raydan's results are reported in Canadian dollars, but a significant portion of its revenues are generated in US dollars. Marked fluctuations in currency values adversely affect the Company's results of operations, with a conversion rate from USD to CAD of 1.3572 at the end of April 2004 compared to 1.5685 at the end of April 2002.

Air Link™ unit sales have increased by 58% in the last two years. In addition to a strengthening US economy, increased sales have been generated by completion of engineering projects utilizing the front-end patent, sales resulting from prototypes offered to the market in previous years, and a wider variety of work for the Canadian military. This upward trend is expected to continue throughout the next fiscal year and beyond.

*"The thing always happens that you really believe in;
and the belief in a thing makes it happen."*

Frank Lloyd Wright

Cash Flows and Liquidity

The Company's 2004 cash flow from operations was a negative \$85,098 compared to a positive \$225,584 in 2003. The decrease was largely due to increased accounts receivable at year-end resulting from higher than average sales in the last quarter. Accounts receivable turnover in 2004 was 4.59 with average days to pay at 80 compared to 5.32 and 69 in 2003. This was a result of the longer collection times involved in the US market. Inventory turnover in 2004 was 6.75 with 54 days of inventory on hand, compared to 5.48 and 67 in 2003. The Company expects to generate positive cash flow from operations in the upcoming fiscal year through increased sales and controlling discretionary spending. Upcoming expansion activities will be funded through an increase in long-term debt.

Capital investments were limited to the addition of manufacturing equipment and upgrading computer equipment. Long-term debt decreased by 24%, from \$735,625 in 2003 to \$553,344 in 2004. At April 30, 2004 the Company had a current ratio of 1.8:1 and a total debt to equity ratio of 1.09:1 compared to 2.13:1 and .96:1 respectively for 2003 as a result of additional cash requirements for increased business activity in the fourth quarter.

The Company maintained a sound financial position in 2004 which is expected to continue in 2005. The 2004 working capital position was a positive \$1,602,651 compared to a positive \$1,665,224 in 2003.

The Company's trading profit or EBITA (earnings before interest, taxes, and amortization) increased to \$369,250 in 2004 from \$361,393 in 2003.

Patents

Patents are important to the commercial success of Raydan. Raydan presently holds Canadian and US patents for the Easy Slider adjustable king pin assembly, Air Link air bag and walking beam system, Air Link air bag and walking beam system for tandem front ends and the walking beam assembly. Raydan has applied for worldwide patent for the Air Link air bag and walking beam system for tandem front ends and the walking beam assembly.

Planned Expansion

Raydan plans to expand the Nisku facility to allow increased production in the chassis modification division, to provide additional space to meet increased manufacturing requirements and to reduce out-sourcing. This will allow Raydan to meet its projected sales target of \$19 million by 2006.

In 2005 Raydan will complete the implementation of a new ERP (Enterprise Resource Planning) software program that will further improve cost control and enable electronic communication with customers and suppliers. The new system will also reduce administrative costs by streamlining administrative procedures.

Transactions with Related Parties

During the year, the Company entered into transactions with Raydan Oilfield Services (1989) Ltd., owned by officers of the company, and PolyPlus Distribution Inc., owned by an employee of the Company. A Raydan employee was granted the Canadian distributorship for one of Raydan's major Air Link™ components. This ensures that Raydan is able to secure a stable parts supply and that pricing for this component will remain competitive. The purchase of these parts occur at normal selling prices and terms with the prices checked regularly against competitor pricing.

Off-Balance Sheet Arrangements

At April 30, 2004 and 2003, the Company had no off-balance sheet arrangements.

MANAGEMENT RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying financial statements and all information in the Annual Report are the responsibility of management. The financial statements have been prepared by management in accordance with the accounting policies in the notes to the financial statements. When necessary, management has made informed judgments and estimates in accounting for transactions that were not complete at the balance sheet date. In the opinion of management, the financial statements have been prepared within acceptable limits of materiality, and are in accordance with Canadian generally accepted accounting principles (GAAP) appropriate in the circumstances. The financial information elsewhere in the Annual Report has been reviewed to ensure consistency with that in the financial statements.

Management has prepared Management's Discussion and Analysis (MD&A). The MD&A is based upon the Company's financial results prepared in accordance with Canadian GAAP. The MD&A compares the audited financial results for the twelve months ended April 30, 2003 and April 30, 2004.

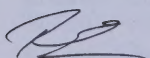
Management maintains appropriate systems of internal control. Policies and procedures are designed to give reasonable assurance that transactions are properly authorized, assets are safeguarded and financial records properly maintained to provide reliable information for the preparation of financial statements.

Watson Aberant LLP, an independent firm of Chartered Accountants, was engaged, as approved by a vote of shareholders at the Company's most recent annual general meeting, to audit the financial statements in accordance with generally accepted auditing standards in Canada and provide an independent professional opinion.

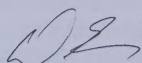
The Audit Committee of the Board of Directors, which is comprised of three directors who are not employees of the Company, has discussed the financial statements, including the notes thereto, with management and external auditors. The financial statements have been approved by the Board of Directors on the recommendations of the Audit Committee.

"The entrepreneur is essentially a visualizer and actualizer. He can visualize something, and when he visualizes it he sees exactly how to make it happen."

Robert L. Schwartz



Ray English
President and CEO



Dan English
Secretary Treasurer

AUDITORS' REPORT



4212 - 98 Street
Edmonton, Alberta
T6E 6A1

Telephone (780) 438-5969
Fax (780) 437-3918
Email: watson_aberant@canada.com

AUDITOR'S REPORT

To: The Shareholders of Raydan Manufacturing Inc.

We have audited the balance sheets of Raydan Manufacturing Inc. as at April 30, 2004 and 2003 and the statements of income, retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2004 and 2003, and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

B K R
INTERNATIONAL

Edmonton, Alberta, Canada
July 16, 2004

Watson Aberant LLP

BALANCE SHEET

As at April 30	2004	2003
Assets		
Current		
Term deposits	\$ 1,003,107	\$ 1,050,753
Accounts receivable	1,703,105	1,148,577
Unbilled revenue	26,600	14,300
Future income taxes (note 12)	17,000	17,000
Inventory (note 3)	827,934	871,306
Prepaid expenses	37,800	38,337
	3,615,546	3,140,273
Capital assets (note 4)	972,656	966,494
Deferred development costs (note 5)	56,603	64,776
Future income taxes (note 12)	72,121	105,277
Patents (note 6)	196,515	235,454
	\$ 4,913,441	\$ 4,512,274
Liabilities		
Current		
Bank indebtedness (note 7)	\$ 767,101	\$ 517,369
Accounts payable	922,329	737,723
Current portion of long-term debt	323,465	219,957
	2,012,895	1,475,049
Long-term debt (note 8)	553,344	735,625
	2,566,239	2,210,674
Shareholders' Equity		
Share capital (note 10)	2,045,238	2,045,238
Retained earnings	301,964	256,362
	2,347,202	2,301,600
	\$ 4,913,441	\$ 4,512,274

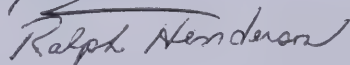
Contingent liability (note 11)

Approved on behalf of the board members

Director



Director



See accompanying notes and schedules

STATEMENT OF INCOME AND STATEMENT OF RETAINED EARNINGS

Years ended April 30	2004	%	2003	%
Sales	\$ 6,729,221	100.0	\$ 6,058,460	100.0
Cost of sales (Schedule 1)	5,734,799	85.2	5,173,263	85.4
Gross margin	994,422	14.8	885,197	14.6
Expenses (Schedule 2)	936,817	13.9	821,459	13.6
Income from operations	57,605	0.9	63,738	1.1
Other income Interest	30,223	0.4	27,971	0.5
Income before income taxes	87,828	1.3	91,709	1.5
Income taxes (note 12)	42,226	0.6	(29,143)	(0.5)
Net income for the year	\$ 45,602	0.7	\$ 120,852	2.0
Basic earnings per share	\$ 0.004		\$ 0.010	
Diluted earnings per share	\$ 0.004		\$ 0.009	

Years ended April 30	2004	2003
Retained earnings, beginning of year	\$ 256,362	\$ 135,510
Net income for the year	45,602	120,852
Retained earnings, end of year	\$ 301,964	\$ 256,362

See accompanying notes and schedules

STATEMENT OF CASH FLOWS

Years ended April 30	2004	2003
Cash flows from (for) operating activities		
Cash receipts from customers	\$ 6,155,931	\$ 5,967,093
Cash paid to suppliers and employees	(6,164,287)	(5,620,889)
Interest paid	(106,965)	(120,620)
Interest received	30,223	—
	<u>(85,098)</u>	<u>225,584</u>
Cash flows for investing activities		
Purchase of capital assets	(123,481)	(92,048)
Payment of deferred development costs	(10,026)	(89,394)
Payment for patents	—	(80,970)
	<u>(133,507)</u>	<u>(262,412)</u>
Cash flows for financing activity		
Repayment of long-term debt	(78,773)	(116,513)
Decrease in cash	(297,378)	(153,341)
Cash, beginning of year	533,384	686,725
Cash, end of year	\$ 236,006	\$ 533,384
Cash consists of:		
Term deposits	\$ 1,003,107	1,050,753
Bank indebtedness	(767,101)	(517,369)
	<u>\$ 236,006</u>	<u>\$ 533,384</u>

See accompanying notes and schedules

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2004 and 2003

1. Nature of Operations

Raydan Manufacturing Inc. was incorporated under the Business Corporations Act of Alberta on March 27, 1992. The company's primary operations are: (1) manufacturing and marketing of air based suspensions and king-pin systems for transportation and related industries and (2) transportation equipment servicing and chassis modification. The Company is an original equipment manufacturer selling proprietary products to world wide manufacturers.

2. Significant Accounting Policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. Outlined below are those policies considered particularly significant to Raydan Manufacturing Inc.:

(a) Revenue recognition

The manufacturing division recognizes revenue on a completed contract basis.

The equipment servicing and chassis modification divisions recognize revenue on a percentage of completion basis.

Revenue recognized on incomplete jobs is classified as unbilled revenue.

(b) Inventory (note 3)

Inventory is comprised of raw materials and finished goods. Raw materials are valued at the lower of cost and replacement cost, and finished goods at the lower of cost and net realizable value. Cost is determined on a first-in, first-out basis.

(c) Capital assets (note 4)

Capital assets are recorded at cost. The company provides for amortization using the following methods at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates and methods are as follows:

Buildings	5% Declining balance
Equipment	20% Declining balance
Automotive	30% Declining balance
Office equipment	30% Declining balance
Computer equipment	30% Declining balance
Electrical signs	20% Declining balance
Display units	20% Declining balance
Display trailer	30% Declining balance

Full amortization is taken in the year of acquisition and none in the year of disposal.

(d) Long lived assets

Long lived assets comprise property, plant and equipment and intangible assets.

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2004 and 2003

Long lived assets held for use are reviewed for impairment when certain events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The recoverability test is performed using undiscounted future net cash flows that are directly associated with the asset's use and eventual disposition. The amount of the impairment, if any, is measured as the difference between the carrying value and fair value of the impaired assets and presented as an additional current period amortization charge.

During the year there was no impairment of long lived assets.

(e) Future income taxes

The company records future income taxes using the asset and liability method. Under this method, future tax assets and liabilities are determined based on the difference between the tax basis of an asset or liability and it's carrying value basis on the balance sheet. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment.

(f) Patents (note 6)

Patents are recorded at cost. Amortization is provided over the estimated useful lives of 10 years of the patents using the straight-line method.

(g) Deferred development costs (note 5)

The cost to develop the patentable processes and products are capitalized. Amortization is charged to operations since commercial production commenced during the prior year. These development costs are being amortized on the straight-line method over five years. These costs are reviewed by management for impairment on an annual basis.

(h) Foreign exchange

Monetary assets and liabilities of the Company which are denominated in foreign currencies are translated at year-end exchange rates. Non-monetary assets and liabilities are translated at rates in effect at the date the assets were acquired and liabilities incurred. Revenue and expenses are translated at the rates of exchange in effect at their transaction dates. The resulting gains or losses are included in cost of goods sold.

(i) Earnings per common share (note 13)

Earnings (net income) per common share has been computed by dividing income applicable to common shareholders by the weighted average number of common shares outstanding during the respective year plus the additional common shares that would have been outstanding if potentially dilutive common shares had been issued using the "treasury stock" method.

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2004 and 2003

(j) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. By their nature, these estimates are subject to measurement uncertainty. Actual results for future periods could vary from these estimates.

(k) Stock-based compensation

Currently all outstanding stock options of the Company have been granted to directors and employees of the Company and no compensation cost has been recorded for these awards. Consideration paid by directors and employees on the exercise of stock options is recorded as share capital.

The Company has disclosed the pro forma effect of accounting for these rewards under the fair value based method (see note 10d).

New recommendations of the CICA Handbook (section 3870), for stock-based compensation will be effective in fiscal year 2005 and will require that all stock-based compensation be measured and recognized based on the fair value of the instruments and expensed in the financial statements. The Company intends to retroactively record fair value compensation charges on May 1, 2004.

(l) Government assistance

The company has received government assistance for scientific research and experimental development, product development and marketing.

Government assistance received from Scientific Research and Experimental Development Investment Tax Credits are recorded when received. Assistance received in the form of Investment Tax Credits is accounted for under the Cost Reduction method of accounting. Under this approach research expenses are reduced by the amount of government assistance received for research.

Government assistance received for product development that is repayable is reported as a liability until it is repaid or the repayment period has expired (see note 8.)

(m) Share capital (note 10)

The company follows the accounting policy of reducing the share issue proceeds by the costs directly related to the issuance.

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2004 and 2003

3. Inventory

	2004	2003
Raw materials – manufacturing	\$ 468,219	\$ 447,841
Finished goods – manufacturing	249,030	303,078
Raw material – service	110,685	120,387
	<u>\$ 827,934</u>	<u>\$ 871,306</u>

4. Capital Assets

	2004		2003	
Capital assets	Cost	Accumulated Amortization	Net	Net
Land	\$ 116,251	\$ –	\$ 116,251	\$ 116,251
Buildings	755,338	186,285	569,053	599,004
Equipment	335,841	163,113	172,728	121,181
Automotive	116,508	85,658	30,850	44,072
Office equipment	76,347	55,757	20,590	24,300
Computer equipment	65,415	30,963	34,452	35,658
Electrical signs	9,576	4,812	4,764	5,955
Display units	61,144	38,227	22,917	18,571
Display trailer	16,433	15,382	1,051	1,502
	<u>\$ 1,552,853</u>	<u>\$ 580,197</u>	<u>\$ 972,656</u>	<u>\$ 966,494</u>

5. Deferred Development Costs

	2004		2003	
Prototype materials and labour, at cost	Cost	Accumulated Amortization	Net	Net
	\$ 90,996	\$ 34,393	\$ 56,603	\$ 64,776

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2004 and 2003

6. Patents

			2004	2003
	Cost	Accumulated Amortization	Net	Net
Front End Tandemization	\$ 89,394	\$ 17,879	\$ 71,515	\$ 80,454
Air Link™	250,000	150,000	100,000	125,000
Easy Slider™	50,000	25,000	25,000	30,000
	\$ 389,394	\$ 192,879	\$ 196,515	\$ 235,454

The U.S. and Canadian patents were granted for the front end tandemization technology on July 9, 2003.

7. Bank Indebtedness

Bank indebtedness is secured by a general assignment of book debts and a general security agreement providing a charge over all assets. The revolving bank loan has interest due monthly at prime plus 1.0%.

	2004	2003
Bank indebtedness	\$ 767,101	\$ 517,369

8. Long-Term Debt

	2004	2003
Bank loan, bearing interest at 6.625%, payable \$6,360 in blended monthly principal and interest, secured by a general security agreement covering all assets, due February 24, 2006	\$ 591,618	\$ 630,718
Government loan, quarterly payments (not to exceed a total of \$501,408) are calculated as 1.5% of gross revenues (see note 11)	241,562	248,762
Bank loan, bearing interest at prime plus 1.25%, payable \$13,499 per month plus interest, secured by a general security agreement covering all assets, due July 20, 2004	39,990	—
Bank loan, bearing interest at prime plus 1.25%, payable \$746 per month plus interest, secured by a general security agreement covering all assets, due September 14, 2004	3,639	12,411
Note payable, bearing interest at 8%, payable \$5,650 in blended monthly principal and interest, unsecured	—	63,691

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2004 and 2003

Total long-term debt	876,809	955,582
Less current portion	323,465	219,957
Due beyond one year	<u>\$ 553,344</u>	<u>\$ 735,625</u>

Estimated principal repayments are as follows:

2005	\$ 323,465
2006	40,888
2007	43,680
2008	46,664
2009	49,851
Subsequent years	372,261
	<u>\$ 876,809</u>

9. Related Party Transactions

(a) During the year, the company entered into transactions with the following related parties:

Raydan Oilfield Services (1989) Ltd., owned by officers of the Company

PolyPlus Distribution Inc., owned by an employee of the Company

(b) Transactions

	2004	2003
Raydan Oilfield Services (1989) Ltd.		
– rental of equipment	\$ 21,000	\$ 21,000
PolyPlus Distributions Inc.		
– purchase of parts inventory	\$ 120,326	\$ –
	<u>\$ 141,326</u>	<u>\$ 21,000</u>

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

(c) Included in accounts payable is \$34,343 owing to PolyPlus Distributions Inc.

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2004 and 2003

10. Share Capital

(a) Authorized

Unlimited number of common voting shares
Unlimited number of preferred shares

(b) Issued

	2004	2003
12,575,722 common shares	<u>\$ 2,045,238</u>	<u>\$ 2,045,238</u>

(c) Stock options

The Company has a stock option plan, whereby options to acquire a maximum of 10% of the issued common shares may be granted to directors, officers and employees of the Company subject to the following limitations:

- (i) The term of an option shall not exceed 5 years from the date of the grant of the option.
- (ii) No options shall be granted to any optionee if the total number of shares reserved for issuance to such optionee would exceed 5% of the issued and outstanding shares.
- (iii) The number of shares reserved for issuance pursuant to options may not exceed 10% of the issued and outstanding shares.

Stock options vest immediately and are as follows:

	2004		2003	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding at beginning of year	925,000	\$ 0.50	1,290,555	\$ 0.47
Granted to directors	332,572	0.27	—	—
Expired	—	—	(365,555)	0.38
Outstanding and exercisable at end of year	<u>1,257,572</u>	<u>\$ 0.44</u>	<u>925,000</u>	<u>\$ 0.50</u>

Options Outstanding	Exercise Price	Options Exercisable at April 30, 2004	Expiry Date
925,000	\$ 0.50	925,000	June 18, 2006
332,572	0.27	332,572	March 30, 2009
<u>1,257,572</u>		<u>1,257,572</u>	

The Agent's options (365,555) expired June 18, 2003.

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2004 and 2003

(d) Pro forma disclosure:

The fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model. The following weighted average assumptions were used to determine the fair market value of options granted during the years ended April 30:

	2004
Weighted average fair market value per option	\$ 0.385
Average risk-free rate	3.96%
Dividend yield	Nil
Average volatility	30.00%
Expected life (years)	4.92
Vesting Period	On grant date

Had compensation cost for the Company's stock option plan been determined based on the fair value at the grant dates for options granted for fiscal years beginning on or after January 1, 2002, consistent with the fair value based method of accounting for stock-based compensation, the Company's net earning and earning per share (EPS) would have been reduced to the pro forma amounts indicated below.

		2004	2003
Net earnings	As reported	\$ 45,602	\$ 120,852
	Pro forma	\$ (10,797)	\$ 120,852
Basic EPS	As reported	\$ 0.004	\$ 0.010
	Pro forma	\$ (0.001)	\$ 0.010
Diluted EPS	As reported	\$ 0.004	\$ 0.009
	Pro forma	\$ (0.001)	\$ 0.009

11. Contingent Liability

The Company has received a total government loan of \$334,272 under the Industrial Research Assistance Program (IRAP) of which \$241,562 remains outstanding as of year end. According to the original terms of the IRAP agreement an additional \$167,136 (up to a maximum of \$501,408) will become due contingent upon the company realizing gross revenues of at least \$13,135,600 from May 1, 2004 to April 1, 2006 (see note 8).

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2004 and 2003

12. Income Taxes

The Company's income tax expense for the years ended April 30 consist of the following:

	2004	2003
Earnings (loss) before taxes	\$ 87,828	\$ 91,709
Combined federal and provincial tax rate	33.62%	33.62%
Expected income tax expense	\$ 29,528	\$ 30,833
Deductible expenses in excess of non-deductible	(12,393)	(33,186)
Future income tax expense – Investment Tax Credit	8,194	–
Future income tax benefit – temporary differences	16,897	(26,790)
Income tax	\$ 42,226	\$ (29,143)

Comprised of:	2004	2003
Current	\$ –	\$ –
Future	42,226	(29,143)
Income Tax	\$ 42,226	\$ (29,143)

Income taxes are recognized for future income tax consequences attributed to estimated differences between the financial statement carrying values of existing assets and liabilities and their respective income tax bases.

The net future income tax asset is comprised of:

	2004	2003
Future tax assets (liabilities) resulting from:		
Capital assets	\$ 15,283	\$ 13,857
Patents	(14,433)	(7,399)
Development costs	(19,030)	(21,778)
Share issue costs	28,073	42,110
Investment Tax Credits	9,070	–
Loss carryforwards	70,158	95,487
	89,121	122,277
Less current portion	(17,000)	(17,000)
	\$ 72,121	\$ 105,277

13. Earnings Per Share

Basic earnings per share have been calculated using net income for the year divided by the weighted average number of the Company's shares outstanding during the year. The weighted average number of shares outstanding is determined by calculating the shares issued during the period and weighted for the portion of the period that they were outstanding. Fully diluted

NOTES TO THE FINANCIAL STATEMENTS

April 30, 2004 and 2003

earnings per share have been calculated using the treasury stock method which gives effect to the dilutive value of stock options outstanding. The earnings per share is calculated as follows:

	2004			2003		
	Net Income	Weighted average common shares	Per share	Net income	Weighted average common shares	Per share
Basic	\$ 45,602	12,575,722	\$ 0.004	\$ 120,852	\$ 12,575,722	\$ 0.010
Fully diluted	\$ 45,602	12,587,744	\$ 0.004	\$ 120,852	\$ 12,642,651	\$ 0.009

The potential effect of the exercise of options does not materially affect the earnings per shares.

14. Financial Instruments

Financial instruments consist of recorded amounts of accounts receivable and unbilled revenue which will result in future cash receipts, as well as bank indebtedness, accounts payable and long-term debt which will result in future cash outlays.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The company is exposed to credit risk from customers, however it is the opinion of the Company's management that the credit risk is minimal.

(b) Fair value

The carrying value of the financial instruments noted above approximate their fair values.

(c) Interest rate risk

The Company manages its exposure to interest rate risk through a combination of fixed and floating rate borrowings. The fixed rate debt is subject to interest rate price risk, as the value will fluctuate as a result of changes in market rates. The floating rate debt is subject to interest rate cash flow risk, as the required cash flows to service the debt will fluctuate as a result of changes in market rates.

(d) Currency risk

The Company earns revenue and records accounts receivable in U.S. currency translated into Canadian currency at the time of the transactions. The Company does not use derivative instruments to mitigate the effects of foreign exchange changes between the recording date of the accounts receivable and the receipt of cash. These accounts receivable are short term in nature. The effect of the foreign exchange changes are included in cost of sales.

Sales to U.S. customers during the year account for greater than 50% of the gross sales of the Company.

15. Comparative Figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

SCHEDULES TO THE FINANCIAL STATEMENTS

April 30, 2004 and 2003

Schedule of Cost of Sales

Schedule 1

	2004	%	2003	%
Materials	\$ 3,967,305	59.0	\$ 3,379,495	55.8
Salaries and benefits	1,025,116	15.2	1,191,890	19.7
Automotive and travel	194,969	2.9	188,094	3.1
Government assistance	(26,469)	(0.4)	—	
Engineering	252,378	3.8	96,619	1.6
Occupancy costs	147,042	2.2	168,101	2.8
Amortization	135,519	2.0	110,125	1.8
Amortization of patents	38,939	0.6	38,939	0.6
	<u>\$ 5,734,799</u>	<u>85.2</u>	<u>\$ 5,173,263</u>	<u>85.4</u>

Schedule of Expenses

Schedule 2

	2004	%	2003	%
Marketing	\$ 283,397	4.2	\$ 243,866	4.0
Wages and benefits	201,725	3.0	156,686	2.6
Office and miscellaneous	182,883	2.7	153,258	2.5
Professional fees	66,355	1.0	32,448	0.5
Interest and bank charges	59,923	0.9	43,712	0.7
Share listing fees	52,382	0.8	55,387	0.9
Interest on long term debt	47,041	0.7	76,908	1.3
Investor relations	36,649	0.5	43,624	0.7
Bad debts	6,462	0.1	15,570	0.3
	<u>\$ 936,817</u>	<u>13.9</u>	<u>\$ 821,459</u>	<u>13.6</u>

CORPORATE INFORMATION

Board of Directors

Ray English

Chairman
Chief Executive Officer
Raydan Manufacturing Inc.

Dan English

Secretary-Treasurer
Operations Manager
Raydan Manufacturing Inc.

John Babic B Com, BA

Director
President, Professional Consulting
Solutions Ltd.

Ralph Henderson B Com, FCA

Director
President, R. Henderson & Assoc. Inc.

Len Jaroszuk

Director
President, Westone Ventures Inc.

Bob Sparrow

Director
President, Nisku Truck Stop Ltd.

Associates

Bank

Canadian Western Bank
South Edmonton Common
Edmonton, Alberta

Auditors

Watson Aberant LLP
Edmonton, Alberta

Legal Counsel

Wolff Leia
Edmonton, Alberta
Andrew J. Hladyshevsky Q.C.
Fraser Milner Casgrain LLP

Transfer Agent & Registrar

CIBC Mellon Trust Company
Calgary, Alberta

Head Office

601 - 18th Avenue
Nisku, Alberta T9E 7T7
Tel | 780 955-2859
Fax | 780 955-2386

Annual General Meeting

Raydan's Annual General Meeting will be held at 2:00 pm on Wednesday, September 22, 2004 at the Company's head office

Stock Exchange Listing

Raydan Manufacturing is traded on the TSX Venture Exchange under the symbol RDN

Fiscal year end is April 30.

First, second and third quarters are July 31, October 31 and January 31 respectively.

Share Price Information

The following is a summary of the monthly average share price of the Company trading on the TSX Venture Exchange.

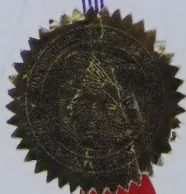
Share Price

52 week high	.57
52 week low	.28

Monthly Average

May 03	.57
June 03	.46
July 03	.36
August 03	.37
September 03	.37
October 03	.33
November 03	.32
December 03	.28
January 04	.34
February 04	.41
March 04	.35
April 04	.29

The
United
States
of
America



The Commissioner of Patents
and Trademarks

Has received an application for a patent
for a new and useful invention. The title
and description of the invention are en-
closed. The requirements of law have
been complied with, and it has been de-
termined that a patent on the invention
shall be granted under the law.

Therefore, this

United States Patent

Grants to the person or persons having
title to this patent the right to exclude
others from making, using or selling the
invention throughout the United State:
of America for the term of seventeen
years from the date of this patent, su-
ject to the payment of maintenance f
as provided by law.

Michael R. Kirk

Acting Commissioner of Patents and Trademarks

Sandra J. Mo

Attest

The United States of America



CERTIFICATE OF REGISTRATION
PRINCIPAL REGISTER

The Mark shown in this certificate has been registered in the United States
Patent and Trademark Office to the named registrant.

The records of the United States Patent and Trademark Office show that
an application for registration of the Mark shown in this Certificate was filed in the
Office, that the application was examined and determined to be in compliance with
the requirements of the law and with the regulations prescribed by the Commissioner
of Patents and Trademarks, and that the Applicant is entitled to registration of the
Mark under the Trademark Act of 1946, as Amended.

A copy of the Mark and pertinent data from the application are a part of
this certificate.

This registration shall remain in force for TEN (10) years, unless
terminated earlier as provided by law, and subject to compliance with the provisions
of Section 8 of the Trademark Act of 1946, as Amended.



Bence Lehman

Commissioner of Patents and Trademarks